

# Senate Study Bill 1304

SENATE/HOUSE FILE \_\_\_\_\_  
BY (PROPOSED IOWA FINANCE  
AUTHORITY BILL)

Passed Senate, Date \_\_\_\_\_ Passed House, Date \_\_\_\_\_  
Vote: Ayes \_\_\_\_\_ Nays \_\_\_\_\_ Vote: Ayes \_\_\_\_\_ Nays \_\_\_\_\_  
Approved \_\_\_\_\_

## A BILL FOR

1 An Act relating to certification of allocations of the state  
2 ceiling under the private activity bond allocation Act.  
3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:  
4 TLSB 1301DP 82  
5 tm/gg/14

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1 1 Section 1. Section 7C.7, Code 2007, is amended to read as  
1 2 follows:  
1 3 7C.7 CERTIFICATION OF ALLOCATION.  
1 4 Upon the receipt of a completed application pursuant to  
1 5 section 7C.6, the governor's designee shall promptly certify  
1 6 to the political subdivision the amount of the state ceiling  
1 7 allocated to the bonds for the purpose or project with respect  
1 8 to which the application was submitted. The allocation shall  
1 9 remain valid for ~~thirty days from the date the allocation was~~  
~~1 10 certified a time period set by the governor's designee in~~  
~~1 11 administrative rules~~, subject to the following conditions:  
1 12 1. If the bonds are issued and delivered for the purpose  
1 13 or project within the ~~thirty-day period~~ time period set by the  
~~1 14 governor's designee~~ or the ~~forty-five day~~ extension period  
1 15 provided in subsection 2, the political subdivision or its  
1 16 representative shall within ten days following the issuance  
1 17 and delivery of the bonds or not later than June 30 of that  
1 18 year, if the bonds were issued and delivered on or before that  
1 19 date, file with the governor's designee, in the form or manner  
1 20 the governor's designee may prescribe, a notification of the  
1 21 date of issuance and the delivery of the bonds, and the actual  
1 22 principal amount of bonds issued and delivered. The filing of  
1 23 the notification shall be done by actual delivery or by  
1 24 posting in a United States post office depository with correct  
1 25 first class postage paid. If the actual principal amount of  
1 26 bonds issued and delivered is less than the amount of the  
1 27 allocation, the amount of the allocation is automatically  
1 28 reduced to the actual principal amount of the bonds issued and  
1 29 delivered.  
1 30 2. If the political subdivision does not reasonably expect  
1 31 to issue and deliver the bonds within the ~~thirty-day time~~  
~~1 32 period set by the governor's designee~~ and evidence of an  
1 33 executed, valid, and binding agreement to purchase the bonds  
1 34 is obtained from an entity with the legal ability to purchase  
1 35 and this agreement is filed with the governor's designee, the  
2 1 ~~thirty-day~~ allocation period is automatically extended for an  
2 2 ~~additional forty-five days~~ extension period not to exceed an  
~~2 3 amount of time set by the governor's designee in~~  
~~2 4 administrative rules~~. The allocation period shall not be  
2 5 extended beyond that ~~additional forty-five days~~ extension  
~~2 6 period~~.  
2 7 3. The allocation is no longer valid unless the bonds are  
2 8 issued and delivered prior to December 24 or in the case of  
2 9 bonds described in section 7C.11 are issued and delivered  
2 10 prior to December 31 of the calendar year in which the  
2 11 allocation is certified, except as provided in section 7C.8.  
2 12 Sec. 2. Section 7C.9, Code 2007, is amended to read as  
2 13 follows:  
2 14 7C.9 NONBUSINESS DAYS.  
2 15 If the expiration date of either the ~~thirty-day original~~  
~~2 16 time period set pursuant to section 7C.7 or the forty-five day~~  
~~2 17 extension period described provided in subsection 1 or 2 of~~  
2 18 section 7C.7 is a Saturday, Sunday, or any day on which the  
2 19 offices of the state, banking institutions, or savings and

2 20 loan associations in the state are authorized or required to  
2 21 close, the expiration date is extended to the first day  
2 22 thereafter which is not a Saturday, Sunday, or other  
2 23 previously described day.

2 24 EXPLANATION

2 25 This bill relates to certification of allocations of the  
2 26 state ceiling under the private activity bond allocation Act.

2 27 Currently, a certification by the governor's designee of an  
2 28 allocation of the state ceiling for a private activity bond  
2 29 issue by a political subdivision is in effect for 30 days with  
2 30 a possible 45-day extension. The bill eliminates the 30-day  
2 31 time period and the 45-day extension period and allows the  
2 32 governor's designee to set, by administrative rule, the length  
2 33 of time for certification and the possible extension period.

2 34 LSB 1301DP 82

2 35 tm:sc/gg/14